

October 16, 2006

Sandra L. Jensen
Hearing Officer
Natural Resources Commission

Dear Ms. Jensen:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small business associated with new rules in LSA 06-193 proposed by the Indiana Department of Natural Resources (DNR).

The rule changes affecting 312 IAC 9-10-4 could potentially create an economic impact for affected small businesses. The requirements that may apply to a small business are requirements that licensed game breeders have an eight (8) foot perimeter fence for the possession white-tailed deer and the inventory-keeping and annual reporting requirements. The DNR estimates that approximately three hundred (300) licensed game breeders, who may qualify as small businesses, will be directly affected by some of the proposed rule changes. Less than five (5) new game breeders who operate as a small business are expected to obtain a new game breeder license each year. DNR estimates that an eight-foot perimeter fence would cost each breeder (small business) approximately \$2,000. This would be a one-time cost. Importantly, this requirement is already provided for under a rule adopted by the Indiana State Board of Animal Health (345 IAC 2-7-3), and the changes in LSA 06-193 add this requirement to DNR's administrative rules. Adding this requirement to DNR's administrative rules will make the requirement more easily enforced by DNR's conservation officers, but will not create additional costs above those that already exist based on the Board of Animal Health rule.

DNR expects the inventory and annual reporting requirements associated with LSA 06-193 to be minimal. The DNR estimates that it will cost less than \$10 per year (one hour) for a game breeder to maintain the additional information required in this proposed rule, since a transaction record and an annual report are already required by law in 312 IAC 9-10-4. Any costs associated with preparing and submitting the annual report would not be new and attributable to this rule because the annual reporting requirement has been established by previous rules.

The IEDC does not object to the fiscal impact associated with the proposed rule. The primary changes contained in the rule that involve costs to small businesses serve principally to make DNR's rules consistent with other existing rules rather than create net new costs to small businesses. If you have any questions about the comments contained herein please contact me at 232-8962 or rasberry@iedc.in.gov.

Regards,

Ryan Asberry
Director – Research
Indiana Economic Development Corporation